



1950

File No. B. charged exp/50

Legal Department-

B BRANCH

Subject:—

L. A. Bill no LVI of 1950

A Bill to amend certain enactments
and to provide that certain expenditure
shall be charged on the Consolidated
fund of the State.

Bom. Act, No LVI of 1950

P-19
6

File No. B. charged Expenditure/50

Gen. 194 e.

818-B

Legal Department.

In place of the draft Bill at pages 55 to 60 ante a revised draft Bill is sent herewith.

2. Section 300(2) of the Government of India Act, 1935 made sums required for the payment of pensions granted or customarily payable on political considerations or compassionate grounds charged on the revenues of the Province. That section was omitted by the Indian (Provisional Constitution) Order, 1947, with the result that these sums no longer remained charged on the revenues of the Province. Before such sums are declared to be charged on the Consolidated Fund of the State, as proposed in the draft Bill the Finance Department may ascertain from the Government of India their exact intention in omitting section 300 of the Government of India Act, 1935. In any case it would not be advisable to specify these sums in a Schedule to the Act. They were not so specified under the old Constitution. Moreover in view of the policy of Government to liquidate inams it would be desirable to qualify clause 6 by the insertion of the words "So long as the State Government continues to pay any of the said allowances" in order to leave Government liberty to abolish them whenever it is considered necessary or expedient to do so either by legislation or executive orders.

3. The Bill does not require any sanction but requires the Government's recommendation under clauses (1) and (3) of article 207 of the Constitution.

sd/-

Additional Secretary to Government.

J.A. to A.D.No. 13522, dated the 22nd Sept., 1950

Immediate.

No. 17205-
Legal Department,
Bombay Castle (Bombay No. 1), 5th Dec.,
1950.

From

Shri J.R. Dhurandhar,
Additional Secretary to
the Government of Bombay,
Legal Department.

To

The Secretary to the Governor of Bombay

Subject :- The Bombay Charged Expenditure
Bill, 1950.

Sir,

With reference to article 200 of the Constitution of India, I am directed to forward herewith for the assent of His Excellency the Governor the authentic copy of the Bombay Charged Expenditure Bill, 1950, which was read for the third time and passed by the Bombay Legislative Assembly at its meeting held on the 30th October 1950, and returned by the Bombay Legislative Council without recommendations at its meeting held on the 31st October 1950.

2. The subject-matter of the Bill falls under entries 9, 14, 18, 24, 52 and 57 in List II and entries 23, 35 and 36 in List III in the Seventh Schedule to the Constitution of India. As the Bill does not contain any provision repugnant to the provisions of any earlier law made by Parliament or an existing law with respect to any of the matters enumerated in the Concurrent Legislative List, it is not necessary to reserve the Bill for the consideration of the President with reference to article 254(2) of the Constitution of India.

3. The date on which His Excellency the

the Governor's assent is given may kindly be entered in the endorsement.

4. I also forward herewith one copy of each of

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|--|---|
| 1. Bill as introduced in the Bombay Legislative Assembly with the Statements of Objects and Reasons. | 1-12 |
| 2. Bill as agreed to by the Bombay Legislative Council. | the items Nos. 1&2 and copies as of item No 3 |
| 3. Extracts from the proceedings of the Bombay Legislative Assembly dated the 30th October 1950 and of the Bombay Legislative Council dated the 31st October 1950. | |

of the papers noted in the margin. The Bill was not referred to a Select Committee.

Yours faithfully,

Additional Secretary to Government.

Through

The Secretary to the Government of Bombay,
Finance Department.

SSM / 17/7/56.

From

THE SECRETARY TO THE GOVERNOR OF BOMBAY.

To :

The Additional Secretary to Government,
Legal Department.

Government House,

Bombay (6), Dec. 20, 1950.

Subject:- The Bombay Charged Expenditure
Bill, 1950.

Sir,

With reference to your letter No. 17205, dated December 5, 1950, I am directed to return herewith the authentic copy of the Bombay Charged Expenditure Bill, 1950, with His Excellency the Governor's assent signified thereon.

Yours faithfully,

Secretary to the Governor of Bombay.

Publication of the Bombay Charged
Expenditure Act, 1950.

GOVERNMENT OF BOMBAY
Legal Department,
Resolution No. 18194,
Bombay Castle, 23rd Dec., 1950.

Letter to the Secretary to the Governor,
No. 17205, dated the 5th December 1950.

Letter from the Secretary to the Government
G.S. 3894, 20
No. 47295, dated the 5/12/1950.

Letter
"With reference to your letter No. 17205,
dated December 5, 1950, I am directed to return
herewith the authentic copy of the Bombay
Charged Expenditure Bill, 1950, with His
Excellency the Governor's assent signified
thereon."

RESOLUTION:- The law should be published
as Bombay Act No. LVI of 1950, in the Bombay
Government Gazette dated the 23rd December
1950 and Hiddi (in Devnagari script) and the
translations should be published in the Bombay
Government Gazette.

3. A copy of the Act should be forwarded to the
Finance Department.

By order of the Governor of Bombay,

S.L. Chaudhari,
Assistant Secretary to Government.

To

The Manager, Government Central Press,
Bombay (with a copy of the Act and with a
request that 30 Gazette copies of the Act may
be forwarded to the Legal Department),

The Finance Department, etc.



The Bombay Government Gazette

PUBLISHED BY AUTHORITY
MONDAY, 16TH OCTOBER 1950.

Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART V

[To be translated into Marathi, Gujarati, Kannada and Hindi (in Devnagari script) and the translations to be published in the "Bombay Government Gazette". The dates of publication to be reported.]

The following Bill is published under the proviso to rule 80 of the Bombay Legislative Assembly Rules :—

L. A. BILL No. LVI OF 1950.

A Bill to amend certain enactments and to provide that certain expenditure shall be charged on the Consolidated Fund of the State.

WHEREAS it is expedient to amend certain enactments and to provide that certain expenditure incurred by the State Government shall be charged on the Consolidated Fund of the State; It is hereby enacted as follows :—

1. (1) This Act may be called the Bombay Charged Expenditure Act, 1950.
- (2) It shall be deemed to have come into force on the 1st day of April 1950.

Short title
and com-
mencement.

Bom.
XXXIV
of
1935.

2. For section 9 of the Bombay Motor Vehicles Tax Act, 1935, the following shall be substituted, namely :—

Amendment
of section 9
of Bom.
XXXIV of
1935.

"9. (1) The State Government shall pay annually to any local board which at the commencement of this Act was levying tolls on vehicles or animals and to any other local authority which at the said date was levying or collecting tolls on motor vehicles and trailers a sum determined by the State Government, after consulting the local board or local authority concerned, as representing the net average annual income of such local board or local authority from such tolls, after deducting the cost of collection, during the years ending on the 31st March of 1936, plus 10 per centum.

Utilization of
the proceeds
of the tax.

(2) The contribution to the local authorities fixed under sub-section (1) shall be paid in such instalments and in such manner and on such dates as the State Government, after consulting the local authorities concerned, may determine.

(3) If, in any year, the proceeds of the tax collected under this Act, after deducting such sum as expenses of collection of the tax as the State Government may determine in this behalf, exceed the sum of Rs. 26,57,000 the excess amount shall be entered in and transferred to a separate account called the State Road Fund and shall be expended in such manner as the State Government may determine solely on the construction, improvement and maintenance of new and existing roads including roads vesting in, belonging to, or managed by, any local authority :

Provided that such expenditure shall be a supplement to and not in substitution for any funds which would otherwise be expended on the roads by the State Government or by local authorities.

(4) The contributions made under sub-section (2) and the excess amount transferred to a separate account under sub-section (3) shall be charged on the Consolidated Fund of the State.

Explanation.—‘ Road ’ includes the slopes, berms and side drains of a road, all bridges, culverts and causeways built on or across a road and footways.”

Amendment
of section 7
of Bom. XIX
of 1936.

Accounts of
the Fund
and making
up of the
deficiency
in the Fund.

3. For section 7 of the Bombay Famine Relief Fund Act, 1936, the following Bom. XIX of 1936 shall be substituted, namely :—

“ 7. (1) The accounts of the Fund shall be made up at the end of each financial year, the securities belonging to the Fund being valued at their market value on the last day of such year.

(2) If the accounts so made up show that the balance in the Fund at the end of such year falls short of sixty-three lakhs of rupees, the deficiency shall be made up from the Consolidated Fund of the State :

Provided that if the deficiency exceeds ten lakhs of rupees, it may be made up in annual instalments, the amount of each instalment except the last being not less than ten lakhs of rupees.

(3) Any expenditure incurred by the State Government under sub-section (2) shall be charged on the Consolidated Fund of the State.”

Amendment
of section 11
of Bom.
LXXXII of
1948.

Application
of proceeds
of cess.

4. For section 11 of the Bombay Sugarcane Cess Act, 1948, the following Bom. LXII of 1948 shall be substituted, namely :—

“ 11. (1) The proceeds of the cess and fees recovered under this Act shall first be credited to the Consolidated Fund of the State and shall after deduction of the expenses of collection and recovery be shown into and transferred to a separate fund called the State Sugarcane Cess Fund.

(2) The Fund shall be expended in such manner and under such conditions as may be prescribed for the purposes of the development and improvement of cultivation, growth and marketing of sugarcane and other irrigated crops, for the development of sugar industry and for the improvement and development of agriculture in general in the State of Bombay.

(3) Any amount transferred to the State Sugarcane Cess Fund in accordance with the provisions of sub-section (1) shall be charged on the Consolidated Fund of the State.”

5. (1)(a) Subject to and in accordance with the terms of the agreement dated the 23rd March 1949 made between the Governor of Bombay (hereinafter called the State Government) and the Bagalkot Cement Company, Limited (hereinafter called the Company) and the other parties specified in the said agreement and sanctioned by the State Government, by the Government Resolution (Education Department) No. 7989, dated the 26th March 1949, and Industries Department) No. 7989, dated the 26th March 1949, and subject also to such modifications as may from time to time lawfully be made in the terms of the said agreement, not being inconsistent with the following provisions of this sub-section,

(b) and subject also to such modifications as may from time to time lawfully be made in the terms of the said agreement, not being inconsistent with the following provisions of this sub-section,

the State Government shall for a period of five years from the date of the first allotment of the shares of the Company, guarantee to all the ordinary share-holders of the Company a dividend at the rate of three per cent. per annum on the ordinary shares held by them and shall pay to the Company on behalf of and as a trustee for such ordinary share-holders every year such amount as may be necessary to enable the Company to distribute to its ordinary share-holders a yearly dividend at the rate of three per cent. per annum on the total subscribed ordinary share-capital of the Company not exceeding the face value of rupees one crore:

Provided that in no event shall the amount payable by the State Government to the Company under the said guarantee exceed the aggregate sum of rupees fifteen lakhs for the said entire period of five years.

(2) Any expenditure incurred by the State Government under sub-section (1) shall be charged on the Consolidated Fund of the State.

6. The Bombay Charged Expenditure Act, 1939, is hereby repealed.

Repeal of
Bom. XIII
of 1939.

Bom.
XIII
of
1939.

Government is now advised that for purposes of charging expenditure on the Consolidated Fund in accordance with the provisions of the Constitution, the law charging the expenditure should be the law of a Legislature functioning under the Constitution. Accordingly, this Bill has been introduced incorporating the different provisions relating to charged expenditure. It includes certain other items also, the expenditure on which requires to be charged on the Consolidated Fund. It is proposed to give effect to the Bill retrospectively from 1st April 1950, the period from 26th January 1950 (the date on which the Constitution was introduced) to 31st March 1950 being covered by the provisions of Article 390 and the President's Order issued thereunder.

STATEMENT OF OBJECTS AND REASONS.

Under Article 202(3)(f) of the Constitution of India, only such expenditure is charged on the Consolidated Fund of the State as is declared by the Constitution or the Legislature of the State to be so charged. Before the Constitution was introduced, certain items of expenditure were charged on the revenues of this State under the Bombay Charged Expenditure Act, 1939.

Under the Bombay Charged Expenditure Act, 1939, the following items of expenditure were treated as charged on the revenues of the State :—

- (1) The contributions made under sub-section (2) and the expenditure incurred under sub-section (3) of section 9 of the Bombay Motor Vehicles Tax Act, 1935 ;
- (2) The expenditure incurred by the State Government under sub-section (2) of section 7 of the Bombay Famine Fund Act, 1936 ; and
- (3) The expenditure incurred by the State Government under sub-section (1) of section 5 of the Bombay Charged Expenditure Act, 1939, in connection with the guarantee of dividend on the shares of the Bagalkot Cement Company.

The Bill provides for continuing the expenditure in respect of (2) and (3) above as charged on the Consolidated Fund of the State. In respect of (1) above, the expenditure on account of the contribution made to the Local Authorities and that on account of transfer of the proceeds of the Motor Vehicles Tax Act, 1935, to the State Road Fund are proposed to be treated as charged on the Consolidated Fund of the State, while the expenditure from the State Road Fund, which, hitherto, was treated as charged, is proposed to be treated as votable. As the transfer of the proceeds of the Bombay Motor Vehicles Tax Act, 1935, to the State Road Fund is treated as charged, it is similarly proposed to treat the transfer from the proceeds of cess and fees recovered under the Bombay Sugarcane Cess Act, 1948, to the State Sugarcane Cess Fund as charged on the Consolidated Fund of the State.

Notes on Clauses.

Clause 2.—This provides for treating the expenditure on contributions to the Local Authorities and the amount transferred to the State Road Fund, as charged on the Consolidated Fund of the State.

Clause 3.—This is intended to treat the expenditure incurred in meeting any deficiency in the Famine Relief Fund, as charged on the Consolidated Fund of the State.

Clause 4.—This provides for charging the amount transferred to the State Sugarcane Cess Fund on the Consolidated Fund of the State.

Clause 5.—This provides for charging on the Consolidated Fund of the State, any expenditure arising out of the guarantee given by Government to the Bagalkot Cement Company.

Dated the 14th October 1950.

(Signed) VAIKUNTH L. MEHTA.

[By order of the Governor of Bombay,

J. R. DHURANDHAR,
Additional Secretary to the Government of Bombay,
Legal Department.

Poona, dated the 14th October 1950.

L. A. BILL No. LVI OF 1950.

A Bill to amend certain enactments and to provide that certain expenditure shall be charged on the Consolidated Fund of the State.

(As read for the third time and passed by the Legislative Assembly on the 30th October 1950.)

WHEREAS it is expedient to amend certain enactments and to provide that certain expenditure incurred by the State Government shall be charged on the Consolidated Fund of the State; It is hereby enacted as follows:—

1. (1) This Act may be called the Bombay Charged Expenditure Act, 1950.

Short title
and commencement.

(2) It shall be deemed to have come into force on the 1st day of April 1950.

2. For section 9 of the Bombay Motor Vehicles Tax Act, 1935, the following shall be substituted, namely:—

Amendment
of section 9
of Bom.
XXXIV of
1935.

“9. (1) The State Government shall pay annually to any local board which at the commencement of this Act was levying tolls on vehicles or animals and to any other local authority which at the said date was levying or collecting tolls on motor vehicles and trailers a sum determined by the State Government, after consulting the local board or local authority concerned, as representing the net average annual income of such local board or local authority from such tolls, after deducting the cost of collection, during the three years ending on the 31st March of 1936, plus 10 per centum.

Utilization of
the proceeds
of the tax.

(2) The contributions to the local authorities fixed under sub-section (1) shall be paid in such instalments and in such manner and on such dates as the State Government, after consulting the local authorities concerned, may determine.

(3) If, in any year, the proceeds of the tax collected under this Act, after deducting such sum as expenses of collection of the tax as the State Government may determine in this behalf, exceed the sum of Rs. 26,57,000 the excess amount shall be entered in and transferred to a separate account called the State Road Fund and shall be expended in such manner as the State Government may determine solely on the construction, improvement and maintenance of new and existing roads including roads vesting in, belonging to, or managed by, any local authority :

Provided that such expenditure shall be a supplement to and not in substitution for any funds which would otherwise be expended on the roads by the State Government or by local authorities.

(4) The contributions made under sub-section (2) and the excess amount transferred to a separate account under sub-section (3) shall be charged on the Consolidated Fund of the State.

Explanation.—‘ Road ’ includes the slopes, berms and side drains of a road, all bridges, culverts and causeways built on or across a road and footways.”

Amendment of section 7 of Bom. XIX of 1936. 3. For section 7 of the Bombay Famine Relief Fund Act, 1936, the following shall be substituted, namely :—

Accounts of the Fund and making up of the deficiency in the Fund

“ 7. (1) The accounts of the Fund shall be made up at the end of each financial year, the securities belonging to the Fund being valued at their market value on the last day of such year.

(2) If the accounts so made up show that the balance in the Fund at the end of such year falls short of sixty-three lakhs of rupees, the deficiency shall be made up from the Consolidated Fund of the State :

Provided that if the deficiency exceeds ten lakhs of rupees, it may be made up in annual instalments, the amount of each instalment except the last being not less than ten lakhs of rupees.

(3) Any expenditure incurred by the State Government under sub-section (2) shall be charged on the Consolidated Fund of the State.”

Amendment of section 11 of Bom. LXXXII of 1948.

Application of proceeds of cess.

4. For section 11 of the Bombay Sugarcane Cess Act, 1948, the following shall be substituted, namely :—

“ 11. (1) The proceeds of the cess and fees recovered under this Act shall first be credited to the Consolidated Fund of the State and shall after deduction of the expenses of collection and recovery be shown into and transferred to a separate fund called the State Sugarcane Cess Fund.

(2) The Fund shall be expended in such manner and under such conditions as may be prescribed for the purposes of the development and improvement of cultivation, growth and marketing of sugarcane and other irrigated crops, for the development of sugar industry and for the improvement and development of agriculture in general in the State of Bombay.

(3) Any amount transferred to the State Sugarcane Cess Fund in accordance with the provisions of sub-section (1) shall be charged on the Consolidated Fund of the State.”

**Bom.
XIX
of
1936.**

5

10

**Bom.
LXXX
II
of
1948.**

5

10

5. (1)(a) Subject to and in accordance with the terms of the agreement dated Expenditure incurred on the 23rd March 1949 made between the Governor of Bombay (hereinafter called the State Government) and the Bagalkot Cement Company, Limited (hereinafter called the State Government) and the other parties specified in the said agreement and payments to the Bagalkot Cement Company to be charged on the consolidated Fund of the State, sanctioned by the State Government, by the Government Resolution (Education and Industries Department) No. 7989, dated the 26th March 1949,

(b) and subject also to such modifications as may from time to time lawfully be made in the terms of the said agreement, not being inconsistent with the following provisions of this sub-section,

10 the State Government shall for a period of five years from the date of the first allotment of the shares of the Company, guarantee to all the ordinary share-holders of the Company a dividend at the rate of three per cent. per annum on the ordinary shares held by them and shall pay to the Company on behalf of and as a trustee for such ordinary share-holders every year such amount as may be necessary to enable the Company to distribute to its ordinary share-holders a yearly dividend at the rate of three per cent. per annum on the total subscribed ordinary share-capital of the Company not exceeding the face value of rupees one crore :

20 Provided that in no event shall the amount payable by the State Government to the Company under the said guarantee exceed the aggregate sum of rupees fifteen lakhs for the said entire period of five years.

(2) Any expenditure incurred by the State Government under sub-section (1) shall be charged on the Consolidated Fund of the State.

6. The Bombay Charged Expenditure Act, 1939, is hereby repealed.

Bom.
XIII
of
1939.

Repeal of
Bom. XIII
of 1939.

STATEMENT OF OBJECTS AND REASONS.

Under Article 202(3)(f) of the Constitution of India, only such expenditure is charged on the Consolidated Fund of the State as is declared by the Constitution or the Legislature of the State to be so charged. Before the Constitution was introduced, certain items of expenditure were charged on the revenues of this State under the Bombay Charged Expenditure Act, 1939.

Government is now advised that for purposes of charging expenditure on the Consolidated Fund in accordance with the provisions of the Constitution, the law charging the expenditure should be the law of a Legislature functioning under the Constitution. Accordingly, this Bill has been introduced incorporating the different provisions relating to charged expenditure. It includes certain other items also, the expenditure on which requires to be charged on the Consolidated Fund. It is proposed to give effect to the Bill retrospectively from 1st April 1950, the period from 26th January 1950 (the date on which the Constitution was introduced) to 31st March 1950 being covered by the provisions of Article 390 and the President's Order issued thereunder.

Under the Bombay Charged Expenditure Act, 1939, the following items of expenditure were treated as charged on the revenues of the State :—

(1) The contributions made under sub-section (2) and the expenditure incurred under sub-section (3) of section 9 of the Bombay Motor Vehicles Tax Act, 1935 ;

(2) The expenditure incurred by the State Government under sub-section (2) of section 7 of the Bombay Famine Fund Act, 1936 ; and

(3) The expenditure incurred by the State Government under sub-section (1) of section 5 of the Bombay Charged Expenditure Act, 1939, in connection with the guarantee of dividend on the shares of the Bagalkot Cement Company.

The Bill provides for continuing the expenditure in respect of (2) and (3) above as charged on the Consolidated Fund of the State. In respect of (1) above, the expenditure on account of the contribution made to the Local Authorities and that on account of transfer of the proceeds of the Motor Vehicles Tax Act, 1935, to the State Road Fund are proposed to be treated as charged on the Consolidated Fund of the State, while the expenditure from the State Road Fund, which, hitherto, was treated as charged, is proposed to be treated as votable. As the transfer of the proceeds of the Bombay Motor Vehicles Tax Act, 1935, to the State Road Fund is treated as charged, it is similarly proposed to treat the transfer from the proceeds of cess and fees recovered under the Bombay Sugarcane Cess Act, 1948, to the State Sugarcane Cess Fund as charged on the Consolidated Fund of the State.

Notes on Clauses.

Clause 2.—This provides for treating the expenditure on contributions to the Local Authorities and the amount transferred to the State Road Fund, as charged on the Consolidated Fund of the State.

Clause 3.—This is intended to treat the expenditure incurred in meeting any deficiency in the Famine Relief Fund, as charged on the Consolidated Fund of the State.

Clause 4.—This provides for charging the amount transferred to the State Sugarcane Cess Fund on the Consolidated Fund of the State.

Clause 5.—This provides for charging on the Consolidated Fund of the State, any expenditure arising out of the guarantee given by Government to the Bagalkot Cement Company.

Dated the 14th October 1950.

VAIKUNTH L. MEHTA.

Government of Bombay

LEGAL DEPARTMENT

[L. A. BILL No. LVI OF 1950.]

(As read for the third time and passed by the
Legislative Assembly on the 30th October 1950.)

A Bill to amend certain enactments and to
provide that certain expenditure shall be
charged on the Consolidated Fund of
the State.

[Shri VAIKUNTH L. MEHTA, M.L.A.]

L. A. BILL No. LVI OF 1950.

A Bill to amend certain enactments and to provide that certain expenditure shall be charged on the Consolidated Fund of the State.

**(As read for the third time and passed by the Legislative Assembly
on the 30th October 1950.)**

**(As returned by the Legislative Council without recommendations
on the 31st October 1950.)**

WHEREAS it is expedient to amend certain enactments and to provide that certain expenditure incurred by the State Government shall be charged on the Consolidated Fund of the State; It is hereby enacted as follows :—

1. (1) This Act may be called the Bombay Charged Expenditure Act, 1950.
- (2) It shall be deemed to have come into force on the 1st day of April 1950.

Short title
and com-
mencement.

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2. For section 9 of the Bombay Motor Vehicles Tax Act, 1935, the following shall be substituted, namely :—

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“9. (1) The State Government shall pay annually to any local board which at the commencement of this Act was levying tolls on vehicles or animals and to any other local authority which at the said date was levying or collecting tolls on motor vehicles and trailers a sum determined by the State Government, after consulting the local board or local authority concerned, as representing the net average annual income of such local board or local authority from such tolls, after deducting the cost of collection, during the three years ending on the 31st March of 1936, plus 10 per centum.

Utilization of
the proceeds
of the tax.

(2) The contributions to the local authorities fixed under sub-section (1) shall be paid in such instalments and in such manner and on such dates as the State Government, after consulting the local authorities concerned, may determine.

(3) If, in any year, the proceeds of the tax collected under this Act, after deducting such sum as expenses of collection of the tax as the State Government may determine in this behalf, exceed the sum of Rs. 26,57,000 the excess amount shall be entered in and transferred to a separate account called the State Road Fund and shall be expended in such manner as the State Government may determine solely on the construction, improvement and maintenance of new and existing roads including roads vesting in, belonging to, or managed by, any local authority :

Provided that such expenditure shall be a supplement to and not a substitution for any funds which would otherwise be expended on the roads by the State Government or by local authorities.

(4) The contributions made under sub-section (2) and the excess amount transferred to a separate account under sub-section (3) shall be charged on the Consolidated Fund of the State.

Explanation.—‘ Road ’ includes the slopes, berms and side drains of a road, all bridges, culverts and causeways built on or across a road and footways.”

Amendment
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Accounts of
the Fund
and making
up of the
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in the Fund.

3. For section 7 of the Bombay Famine Relief Fund Act, 1936, the following shall be substituted, namely :—

“ 7. (1) The accounts of the Fund shall be made up at the end of each financial year, the securities belonging to the Fund being valued at their market value on the last day of such year.

(2) If the accounts so made up show that the balance in the Fund at the end of such year falls short of sixty-three lakhs of rupees, the deficiency shall be made up from the Consolidated Fund of the State :

Provided that if the deficiency exceeds ten lakhs of rupees, it may be made up in annual instalments, the amount of each instalment except the last being not less than ten lakhs of rupees.

(3) Any expenditure incurred by the State Government under sub-section (2) shall be charged on the Consolidated Fund of the State.”

Bom.
XIX
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Amendment
of section 11
of Bom.
LXXXII of
1948.

Application
of proceeds
of cess.

4. For section 11 of the Bombay Sugarcane Cess Act, 1948, the following shall be substituted, namely :—

“ 11. (1) The proceeds of the cess and fees recovered under this Act shall first be credited to the Consolidated Fund of the State and shall after deduction of the expenses of collection and recovery be shown into and transferred to a separate fund called the State Sugarcane Cess Fund.

(2) The Fund shall be expended in such manner and under such conditions as may be prescribed for the purposes of the development and improvement of cultivation, growth and marketing of sugarcane and other irrigated crops, for the development of sugar industry and for the improvement and development of agriculture in general in the State of Bombay.

(3) Any amount transferred to the State Sugarcane Cess Fund in accordance with the provisions of sub-section (1) shall be charged on the Consolidated Fund of the State.”

Bom.
LXXX
II
of
1948.

5. (1)(a) Subject to and in accordance with the terms of the agreement dated the 23rd March 1949 made between the Governor of Bombay (hereinafter called the State Government) and the Bagalkot Cement-Company, Limited (hereinafter called the Company) and the other parties specified in the said agreement and sanctioned by the State Government, by the Government Resolution (Education and Industries Department) No. 7989, dated the 26th March 1949, Bagalkot Cement-Company to the Bagalkot Cement-Company Fund of the State.

(b) and subject also to such modifications as may from time to time lawfully be made in the terms of the said agreement, not being inconsistent with the following provisions of this sub-section, on the Consolidated Fund of the State.

the State Government shall for a period of five years from the date of the first allotment of the shares of the Company, guarantee to all the ordinary share-holders of the Company a dividend at the rate of three per cent. per annum on the ordinary shares held by them and shall pay to the Company on behalf of and as a trustee for such ordinary share-holders every year such amount as may be necessary to enable the Company to distribute to its ordinary share-holders a yearly dividend at the rate of three per cent. per annum on the total subscribed ordinary share-capital of the Company not exceeding the face value of rupees one crore :

Provided that in no event shall the amount payable by the State Government to the Company under the said guarantee exceed the aggregate sum of rupees fifteen lakhs for the said entire period of five years.

(2) Any expenditure incurred by the State Government under sub-section (1) shall be charged on the Consolidated Fund of the State.

6. The Bombay Charged Expenditure Act, 1939, is hereby repealed.

Government of Bombay

LEGAL DEPARTMENT

[L. A. BILL No. LVI OF 1950.]

**(As read for the third time and passed by the
Legislative Assembly on the 30th October 1950.)**

**(As returned by the Legislative Council without
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**A Bill to amend certain enactments and to
provide that certain expenditure shall be
charged on the Consolidated Fund
of the State.**

[Shri VAIKUNTH L. MEHTA, M.L.A.]



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PART IV

Acts of the Bombay Legislature and Ordinances promulgated
and Regulations made by the Governor.

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The following Act of the Bombay Legislature having been assented to by the Governor on the 20th December 1950 is hereby published for general information.

J. R. DHURANDHAR,

Additional Secretary to the Government of Bombay,
Legal Department.

BOMBAY ACT No. LVI OF 1950.

(First published, after having received the assent of the Governor, in the
"Bombay Government Gazette" on the 23rd December 1950.)

An Act to amend certain enactments and to provide that certain expenditure shall be charged on the Consolidated Fund of the State.

WHEREAS it is expedient to amend certain enactments and to provide that certain expenditure incurred by the State Government shall be charged on the Consolidated Fund of the State; It is hereby enacted as follows:—

- (1) This Act may be called the Bombay Charged Expenditure Act, 1950.
- (2) It shall be deemed to have come into force on the 1st day of April 1950.

Short title
and com-
mencement.

- For section 9 of the Bombay Motor Vehicles Tax Act, 1935, the following shall be substituted, namely:—

Amendment
of section 9
of Bom.
XXXIV of
1935.

"9. (1) The State Government shall pay annually to any local board which at the commencement of this Act was levying tolls on vehicles or animals and to any other local authority which at the said date was levying or collecting tolls on motor vehicles and trailers a sum determined by the State Government,

Utilization of
the proceeds
of the tax.

after consulting the local board or local authority concerned, as representing the net average annual income of such local board or local authority from such tolls, after deducting the cost of collection, during the three years ending on the 31st March of 1936, plus 10 per centum.

(2) The contributions to the local authorities fixed under sub-section (1) shall be paid in such instalments and in such manner and on such dates as the State Government, after consulting the local authorities concerned, may determine.

(3) If, in any year, the proceeds of the tax collected under this Act, after deducting such sum as expenses of collection of the tax as the State Government may determine in this behalf, exceed the sum of Rs. 26,57,000 the excess amount shall be entered in and transferred to a separate account called the State Road Fund and shall be expended in such manner as the State Government may determine solely on the construction, improvement and maintenance of new and existing roads including roads vesting in, belonging to, or managed by, any local authority :

Provided that such expenditure shall be a supplement to and not a substitution for any funds which would otherwise be expended on the roads by the State Government or by local authorities.

(4) The contributions made under sub-section (2) and the excess amount transferred to a separate account under sub-section (3) shall be charged on the Consolidated Fund of the State.

Explanation.—'Road' includes the slopes, berms and side drains of a road, all bridges, culverts and causeways built on or across a road and footways."

Amendment
of section 7
of Bom. XIX
of 1936.

Accounts of
the Fund
and making
up of the
deficiency
in the Fund.

3. For section 7 of the Bombay Famine Relief Fund Act, 1936, the following shall be substituted, namely :—

"7. (1) The accounts of the Fund shall be made up at the end of each financial year, the securities belonging to the Fund being valued at their market value on the last day of such year.

(2) If the accounts so made up show that the balance in the Fund at the end of such year falls short of sixty-three lakhs of rupees, the deficiency shall be made up from the Consolidated Fund of the State :

Provided that if the deficiency exceeds ten lakhs of rupees, it may be made up in annual instalments, the amount of each instalment except the last being not less than ten lakhs of rupees.

(3) Any expenditure incurred by the State Government under sub-section (2) shall be charged on the Consolidated Fund of the State."

Amendment
of section 11
of Bom.
LXXXII of
1948.

Application
of proceeds
of cess.

4. For section 11 of the Bombay Sugarcane Cess Act, 1948, the following shall be substituted, namely :—

"11. (1) The proceeds of the cess and fees recovered under this Act shall first be credited to the Consolidated Fund of the State and shall after deduction of the expenses of collection and recovery be shown into and transferred to a separate fund called the State Sugarcane Cess Fund.

Bom.
XIX
of
1936.

Bom.
LXXXII
of
1948.

(2) The Fund shall be expended in such manner and under such conditions as may be prescribed for the purposes of the development and improvement of cultivation, growth and marketing of sugarcane and other irrigated crops, for the development of sugar industry and for the improvement and development of agriculture in general in the State of Bombay.

(3) Any amount transferred to the State Sugarcane Cess Fund in accordance with the provisions of sub-section (1) shall be charged on the Consolidated Fund of the State."

5. (1)(a) Subject to and in accordance with the terms of the agreement dated the 23rd March 1949 made between the Governor of Bombay (hereinafter called the State Government) and the Bagalkot Cement Company, Limited (hereinafter called the Company) and the other parties specified in the said agreement and to the Bagalkot Cement Company Resolution (Education Department) No. 7989, dated the 26th March 1949, and subject also to such modifications as may from time to time lawfully be made in the terms of the said agreement, not being inconsistent with the following provisions of this sub-section,

(b) and subject also to such modifications as may from time to time lawfully be made in the terms of the said agreement, not being inconsistent with the following provisions of this sub-section,

the State Government shall for a period of five years from the date of the first allotment of the shares of the Company, guarantee to all the ordinary share-holders of the Company a dividend at the rate of three per cent. per annum on the ordinary shares held by them and shall pay to the Company on behalf of and as a trustee for such ordinary share-holders every year such amount as may be necessary to enable the Company to distribute to its ordinary share-holders a yearly dividend at the rate of three per cent. per annum on the total subscribed ordinary share-capital of the Company not exceeding the face value of rupees one crore :

Provided that in no event shall the amount payable by the State Government to the Company under the said guarantee exceed the aggregate sum of rupees fifteen lakhs for the said entire period of five years.

(2) Any expenditure incurred by the State Government under sub-section (1) shall be charged on the Consolidated Fund of the State.

6. The Bombay Charged Expenditure Act, 1939, is hereby repealed.

Repeal of
Bom. XIII
of 1939.

1939.
-of
XIII
Bom.